

# Air Permit Improvement Initiative

Announced by Sec. Hassett 6/24

Directed by Exec. Assistant Kluesner

One of Agency's Top Priorities in  
Biennium

# APII Objectives

Support Environmental Protection  
Goals

Reduce Permit Transaction Costs

Manage Decreasing Resources while  
meeting Regulatory Obligations

# APII Approach

## Two Primary Focuses

Streamlining - Mary Jo Koepke lead

NSR “Retooling” - Lloyd Eagan lead

Official Appointment of Team  
members forthcoming

NSR “Retooling” to NRB in Dec 03

Streamlining 2 year effort

# NSR - Retooling

DNR Sideboards

# Bottom Line Issues for DNR

- DNR's Has Four Bottom Line Issues:
- Impacts of NSR in Nonattainment Areas
- Impacts of NSR in Attainment Areas
- Protection of Local Ambient Air Quality
- Decreased Administrative Burden

# Issue #1 - Nonattainment Areas

- Changes to the NSR program **MUST** result in decreased emissions in nonattainment areas over time to support our efforts to provide Wisconsin residents with air that meets national ambient air quality everywhere without deterring industrial growth.

## Issue #2 -Attainment Areas

- The revised NSR program should provide emission decreases over time to protect **Increment** in areas of the state attaining ambient air quality standards in order to provide Wisconsin businesses with future business expansion opportunities without standards violations.

## Issue # 3 - Local Impacts

- Protection to local ambient air quality standards must be preserved on a site-specific basis.

## Issue #4 - Administration Burden

- Administrative burden and transaction costs for permitted sources and for WDNR should be minimized where possible

# Issues WI Rules Will Address

- Clean Unit Exemptions
- Plant-wide Applicability Limits
- Pollution Prevention Projects
- Applicability Test
- Clarifications
- State Permits

# Proposed Approach

- Support DNR's Bottom Line Issues
- Address EPA's program elements, include:
  - Incentives for voluntary emission control
  - Demonstrate equivalency where state program differs
- Resources to draw upon:  
STAPPA/ALAPCO model Rule 9/03 and  
“Kettl” report

# DNR Thoughts on NSR Reform

- Clean Unit Exemptions -
  - Strike methods for “retroactive” establishment
  - Clean Units should be established prospectively
  - Clean Units should be established at current BACT or better level of control

# DNR Thoughts on NSR Reform

- PAL's
  - Using any 2 year period in last 10 to set baseline is JUST NOT Acceptable; DNR suggests looking back and taking an average of the last 5 years
  - Length of PAL should 5 years and reissued upon Title 5 renewal. PAL at renewal set at the average emission rate.
  - This leads to a declining actual PAL over time.

# DNR Thoughts on NSR Reform

- Pollution Control Projects
  - Notice and Go Provisions for new sources should require sources to model to check for ambient air quality impacts
  - Modeling results should be submitted to DNR with the notice of Pollution Control Projects.

# DNR Thoughts on NSR Reform

- Applicability Test
  - Baseline of past actual using the most recent 24 months to set the baseline has not been a problem in Wisconsin
  - PALS, Clean Units etc would reduce numbers it would apply to
  - DNR would propose keeping actual to potential test using 2 years of emissions data out of the last 5 years (vs 2 out of last 10 years)

# Clarifications Needed - not in Federal Rules

- Clean Units in Nonattainment Areas
- Investment needed for Clean Units
- How to Address Toxics under PALS
- Demand based increases, projected future actuals, demand side of past actuals
- Future demand impacts related to pollution control projects.

# State Permit Rules

- Streamline State Permit Rules
- Protect DNR's Bottom Line Issues

# What to Tackle First?

- Clean Units
- PALS